

# CITY OF DETROIT FINANCIAL ADVISORY BOARD

**JANUARY 21, 2014 - 2:00 P.M.**  
**MINUTES**

Members Present:

Darrell Burks  
W. Howard Morris  
Glenda Price

Ronald Goldsberry  
Eddie Munson  
Kenneth Whipple

Mary Beth Kuderik  
Sandy Pierce

## **I. CALL TO ORDER**

FAB Chair Pierce called the meeting to order at 2:00 P.M. Eight Financial Advisory Board members were present, a quorum.

Roll Call – Eddie Munson, Glenda Price, Ronald Goldsberry, Sandy Pierce, Kenneth Whipple, Mary Beth Kuderik, W. Howard Morris and Darrell Burks.

Member absent: Robert Bowman

By motion made and supported, the Board unanimously voted 8-0 to approve today's agenda.

## **II. APPROVAL OF BOARD MEETING MINUTES**

By motion made and supported, the Board unanimously voted 8-0 to approve the November 4, 2013, regular Board meeting minutes.

## **III. PRESENTATIONS**

- A. Police and Public Safety Report** – James Craig, Police Chief, City of Detroit Police Department (DPD)  
Chief Craig provided an update of the DPD goals: reduction in violence; improvement in morale; and restoration of department credibility.  
Chief Craig indicated three critical top priorities: resources, personnel and recruitment  
The Chief further discussed major challenges are in areas of retention and recruitment
- B. Financial Restructuring and Chapter 9 Case** – Kevyn Orr, Emergency Manager  
EM Orr provided update of four areas: mediation efforts in the Chapter 9 bankruptcy case and restructuring; post petitioning financing (aka Swap settlement); plan of adjustment; and elements in plan of adjustment.
- C. Financial Overview** – John Hill, CFO, City of Detroit  
Mr. Hill provided an overview on the Michigan Municipal Services Authority (MMSA) process being developed; budget to actual report, monthly status report; assessing division and corrective action plan. He further explained risk management issues and discussed audit report procedures and the delay of the City of Detroit Comprehensive Annual Financial Report (CAFR). Mr. Hill, assisted by Dan Jerneycic of E&Y and EM Kevyn Orr, answered inquiries regarding obtaining \$80 million dollars in bond proceeds controlled by the State.
- D. Operational Update** – Mayor Duggan, Gary Brown, COO and Melinda Jensen  
Mayor Duggan provided an overview of key areas: new staff and EM blended staff, Jonathan Jackson for ambulatory services, John Hill for Finance and Gary Brown for Public Services. The Mayor explained the new appointments and reconstruction of the Public Lighting Authority (PLA); status of operations; status of the blight and land bank operations and associated working groups; and the Human Resources Director candidate search.

# CITY OF DETROIT FINANCIAL ADVISORY BOARD

Gary Brown provided an overview report on the Public Lighting Department (PLD) subcommittee meeting and operation and a status report of the Public Lighting Authority(PLA); overview of the Detroit Department of Transportation (DDOT) subcommittee meeting and incorporation of a Transit Security Unit.

Mr. Brown elaborated on new procedures of operations for every department: restructuring initiatives; dollars needed; risk management practices, and efficiencies.

Melinda Jensen, Deputy Group Executive for the Mayor and Interim Director of Planning and Development Department (PD&D) provided an overview on the current PD&D operations. Ms. Jensen explained that the City's systems are in need of upgrade in order to meet federal guidelines. To date, 5-15 million dollars in federal funds have been held back because on non-compliance. Operational restructuring is needed throughout the department. Ms. Jensen was complimentary of the value added by the consulting firm Conway MacKenzie.

## IV. BOARD ACTION AND/OR DISCUSSION ITEMS

- A. Police Chief Craig to provide an inventory of all fleet vehicles as well as a status of those that need repaired for replaced.
- B. Police Chief Craig to provide the total number of police officers (PO) performing civilian jobs and the time frame the department expects to transfer those POs to active duty.
- C. Chief Financial Officer, Mr. John Hill, to provide process re-engineering document and cash flow back-up plan if restructuring doesn't happen within desired time frame.
- D. Mayor Duggan to provide an update after meeting with the Public Lighting Authority on January 29, 2014. He also suggested FAB receive a presentation of the database being constructed under the Blight Initiative in the city.
- E. Deputy EM Stacy Fox to provide the reprioritized initiatives (w/attached milestones) that were originally constructed under the Financial Stability Agreement.
- F. Deputy EM Stacy Fox to provide a contact for every city department that has an assigned FAB subcommittee. This will allow the FAB subcommittees to receive departmental reports and provide assistance to those departments between FAB meetings as needed.

## V. PUBLIC PARTICIPATION/COMMENTS

There were no individuals requesting to address the Board.

## VI. NEXT MEETING

The next meeting will be held on **March 18, 2014, 2:00PM** – Coleman A. Young Municipal Center Auditorium, 13<sup>th</sup> floor, 2 Woodward Ave., Detroit, MI 48226

## VII. MOTION TO ADJOURN

There being no further business, and by motion and second, FAB Chair Pierce adjourned the meeting at 3:56P.M.

Date Approved: **March 18, 2014**